



June 1, 2021

To all Registered Real Estate Brokers,
Authorized Officials and Salespersons

Province of Manitoba

Re: Under Listing Properties and Multiple Offers

As Manitoba continues to experience a sellers' market, the Manitoba Securities Commission is reminding all registrants that there are guidelines in place that registrants must follow when dealing with real estate listings and multiple offer situations.

Failure to comply with these requirements can result in disciplinary action against registrants that can include suspension of a registrant's license and/or prosecution under the The Real Estate Brokers Act.

Under Listing Properties

The definition of fraud in the Act includes the following, "*any course of conduct or business calculated or put forward with intent to deceive the public or the purchaser or the vendor as to the value of real estate.*" Deliberately under valuing a property in a listing, i.e. under listing, in order to create a bidding war qualifies as fraud under the Act as the listing agent is deceiving the public and creating an interest in the property for buyers who are not qualified to purchase the property at the price the vendor is expecting to accept.

In addition, advising a vendor to list a property below market value also qualifies as fraud under the Act.

If the Commission receives a complaint alleging that a listing agent under listed a property it will be up to the agent to demonstrate how they determined the listing price. If the agent is found to have deliberately under listed the property appropriate disciplinary action will be taken.

Multiple Offers

The Multiple Offer Practice Directive, issued by the Commission together with the Manitoba Real Estate Association in 2008, outlines the protocol real estate registrants must follow in multiple offer situations. The directive forms part of this years Relicensing Education Course (RLE 21) but under current market conditions it is advisable that all registrants review the directive thoroughly now rather than waiting to cover the material in RLE 21.

One item from the directive that the Commission would like to emphasize is that the offer to purchase is a confidential document. Members of the public should be able to expect that registrants will treat the contents of their offer with the utmost confidence. This being the case, listing agents must not disclose any of the terms of competing offers, directly or by implication, to competing buyers.

A copy of the practice directive is [available here, on the Commission's website.](#)

Real Estate Division

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